



MAJOR PROJECT ASSESSMENT:

***Adaptive Reuse of the existing buildings on
Blocks 6 and 7***

***Central Park, Chippendale (Former Carlton
United Brewery)
MP11_0091***



Director-General's
Environmental Assessment Report
Section 75I of the
Environmental Planning and Assessment Act 1979

June 2012

ABBREVIATIONS

CIV	Capital Investment Value
Department	Department of Planning & Infrastructure
DGRs	Director-General's Requirements
Director-General	Director-General of the Department of Planning & Infrastructure
EA	Environmental Assessment
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A Regulation	Environmental Planning and Assessment Regulation 2000
EPI	Environmental Planning Instrument
MD SEPP	State Environmental Planning Policy (Major Development) 2005
Minister	Minister for Planning & Infrastructure
PAC	Planning Assessment Commission
Part 3A	Part 3A of the <i>Environmental Planning and Assessment Act 1979</i>
PEA	Preliminary Environmental Assessment
Proponent	Frasers Broadway Pty Ltd
RtS	Response to Submissions

Cover Photograph: Photomontage - Proposed Development
(Source: View 3, TZG Architects, November 2012)

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EXECUTIVE SUMMARY

This is an assessment report for a Project Application seeking approval for the adaptive reuse of existing buildings in Blocks 6 and 7 at Central Park, Chippendale (former Carlton United Brewery) for commercial and retail uses.

The proposal, as described in the Environmental Assessment (EA) and Response to Submissions (RtS), seeks approval for the partial demolition and adaptive reuse of existing buildings along the eastern side of Kensington Street for restaurants, cafes, bars, retail and commercial uses. The proposed land uses are in accordance with the land uses permitted by the approved Concept Plan for the site, MP06_0171 (as modified).

The site is located within the City of Sydney Council Local Government Area. The proponent is Frasers Broadway Pty Ltd. The project has a Capital Investment Value of **\$14,326,387**.

The project is a transitional Part 3A project as Director-General's Environmental Assessment Requirements (DGRs) were issued in respect of this project prior to 8 April 2011. Part 3A of the EP&A Act, as in force immediately before its repeal on 1 October 2011 and as modified by Schedule 6A to the EP&A Act, continues to apply to transitional Part 3A projects.

The EA was exhibited between 23 January 2013 until 1 March 2013 (38 days). The Department received five (5) submissions from agencies/authorities and eleven (11) submissions were received from the general public.

Key issues considered by the Department in the assessment include:

- Consistency with the approved Concept Plan;
- Heritage;
- Management and operation of the development; and
- Traffic generation, vehicle access and management, bicycle parking and pedestrian movement.

On 16 May 2013 the proponent submitted a Response to Submissions (RtS) which made the following amendments to the project:

- Increased the provision of bicycle parking spaces for staff and visitors, from 13 to 41 spaces, with associated locker and end of journey facilities for staff;
- Redesign of the pocket park to provide deep soil and porous ground surfaces;
- Introduction of a rear dormer window to number 38 Kensington Street, to provide additional natural light and ventilation to the upper level of the building; and
- Identification of signage zones on the proposed glazed entry walkways.

Additional information and justification was also provided in relation to building envelopes, amenity impacts on surrounding residences as a result of the cumulative impacts of the Central Park development and acoustic impacts.

The Department considers that the proposed development is generally consistent with the approved Concept Plan (as modified) and is suitable for the subject site. The Department has assessed the merits of the proposal, including proposed variations to the Concept Plan, and is satisfied that the impacts of the proposed development have been adequately addressed within the EA, RtS, Statement of Commitments and the Department's recommended conditions of approval.

The proposal demonstrates an appropriate urban design solution providing a sympathetic response to the heritage context of the site. The proposal will assist in contributing towards the orderly redevelopment of the former Carlton United Breweries site, providing an attractive and vibrant focal point. The development is consistent with the objectives of the Draft Metropolitan Strategy for Sydney 2031 and it will contribute towards job targets for the Sydney subregion identified within the Draft Sydney City Subregional Strategy. The proposal is recommended for **approval**, subject to conditions.

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1. BACKGROUND

This application seeks Project Application approval for the reuse of existing buildings along the eastern side of Kensington Street for commercial and retail uses. The proposal relates to Blocks 6 and 7, as approved by the Concept Plan for the redevelopment of the former Carlton United Brewery site (MP06_0171) (as modified).

The Site

The former Carlton United Brewery site, now known as 'Central Park', has an area of 5.834ha, and is located in the south-western portion of the Sydney Central Business District. The site is within short walking distance to Central Railway Station and Railway Square Bus Terminal.

Blocks 6 and 7, the subject of this Project Application, are located towards the eastern part of the site, within the area referred to as the Kensington Precinct (**Figure 1**). Blocks 6 and 7 both front onto Kensington Street and Block 6 has a secondary street frontage to Dwyer Street. Existing development comprises of a mix of single and two storey terraces and commercial buildings constructed between 1850-1935, which have been predominately used in recent times for commercial and retail uses. The existing terraces and buildings on the site are currently vacant.

Appendix A provides a detailed description of the existing development.



Figure 1 - Central Park Approved Concept Plan site layout and Blocks 6 and 7 location

Previous Approvals

On 8 February 2007, the then Minister for Planning approved Concept Plan MP06_0171 for the mixed use redevelopment of the former Carlton United Brewery site (including residential, commercial and retail uses and public open space).

The Concept Plan was subsequently modified on 18 July 2007 (MOD 1), 5 February 2009 (MOD 2), 16 May 2010 (MOD 3), 30 August 2011 (MOD 4), 24 July 2012 (MOD 6) and 17 January 2013 (MOD 7).

The Concept Plan approved the adaptive reuse of the Blocks 6 and 7 for retail and commercial uses and limits the total maximum GFA of 3,100m², comprising of 2,000m² in Block 6 and 1,100m² in Block 7.

The Department is currently considering a further modification proposal to the Concept Plan, which seeks to amend the approved residential/ non-residential floorspace split (from 70/30% to 77/23%) and to modify some of the approved land uses on the site. The current Concept Plan modification request does not impact upon the subject site.

Related Approvals

The majority of the buildings across the Central Park site, associated with the former brewery use have been demolished (approved under MP 07_0120), with the exception of the retained Brewery buildings and heritage items. Other approvals granted on the site include:

- Remediation and transitional works (MP 07_0163 as modified);
- Main Park and stage 1 infrastructure (MP 08_0210 as modified);
- Construction of commercial Blocks 1 and 4 (approved under MP 08_0253 including Central Thermal Plant (CTP) (MP08_0253 MOD1));
- Construction of mixed use residential and retail Blocks 5A and 5B (MP 09_0041 as modified);
- Construction of mixed use residential and retail Block 2 (MP 09_0078 as modified);
- Stage 2 Infrastructure and Civil Works (MP 09_0164);
- Construction of residential Block 5C (MP10_0218);
- Alterations to and adaptive reuse of Brewery Buildings (MP10_0217);
- Construction of student accommodation on Blocks 3B, 3C and 10 for 271 students (MP11_0090); and
- Additions and adaptive reuse of the Clare Hotel and Brewery Administration Building for a hotel (overnight accommodation) and restaurants (MP11_0089).

2. PROPOSED PROJECT

2.1. Project Description

The proposal, as described in the Environmental Assessment (EA) and Response to Submissions (RtS), seeks approval for the partial demolition and adaptive reuse of existing buildings along the eastern side of Kensington Street for restaurants, cafes, bars, retail and commercial uses, as described in **Table 1**. Photomontages illustrate the proposed development at **Figure 2**.

Table 1 - Key Project Components

Aspect	Description
Project Summary	• Demolition of structures at No. 14 and construction of 1 x 2 storey building for retail/deli use on the ground floor and restaurant on the first floor; • Demolition of structures at No. 42 - 44 to construct a 1 storey building for retail/café and office use and a pocket park fronting Kensington Street; • Heritage conservation and upgrade works to reinstate, reconstruct and upgrade internal and external building fabric of existing buildings to be retained; • Two additional floors above the existing warehouse building at No. 2 - 10 including outdoor terraces on Levels 2 and 3; • Upgrade works and new glazed addition to rear of No.46 - 48 and an enclosed outdoor courtyard; • New single storey building built along the eastern boundary; • Erection of a glazed entry walkway between Nos. 20-22 and 28-30, to provide access from Kensington Street to rear courtyards;

Aspect	Description
	- Landscaping works to pocket park and courtyard area between proposed single storey building along eastern boundary and rear of existing terraces; - Use of tenancies within the precinct for retail, commercial office and food and drink premises; - Provision of 13 bicycle parking spaces, lockers and end-of-journey facilities within Nos. 2 - 10, 14 and 42 – 44; and - Subdivision and consolidation of existing lots to create four lots.
Public Domain Works	Creation of a series of new pedestrian spaces and courtyards to the rear of the terraces and a pocket park (incorporating bicycle parking) accessed off Kensington Street.
Landscaping	Provision of several courtyard and street trees, planting to rear courtyards and pergola and soft landscaping to pocket park.
Car/Bicycle Parking	10 car parking spaces for staff in the combined car park under Blocks 2 and 5; and - Bicycle parking for 41 bicycles.

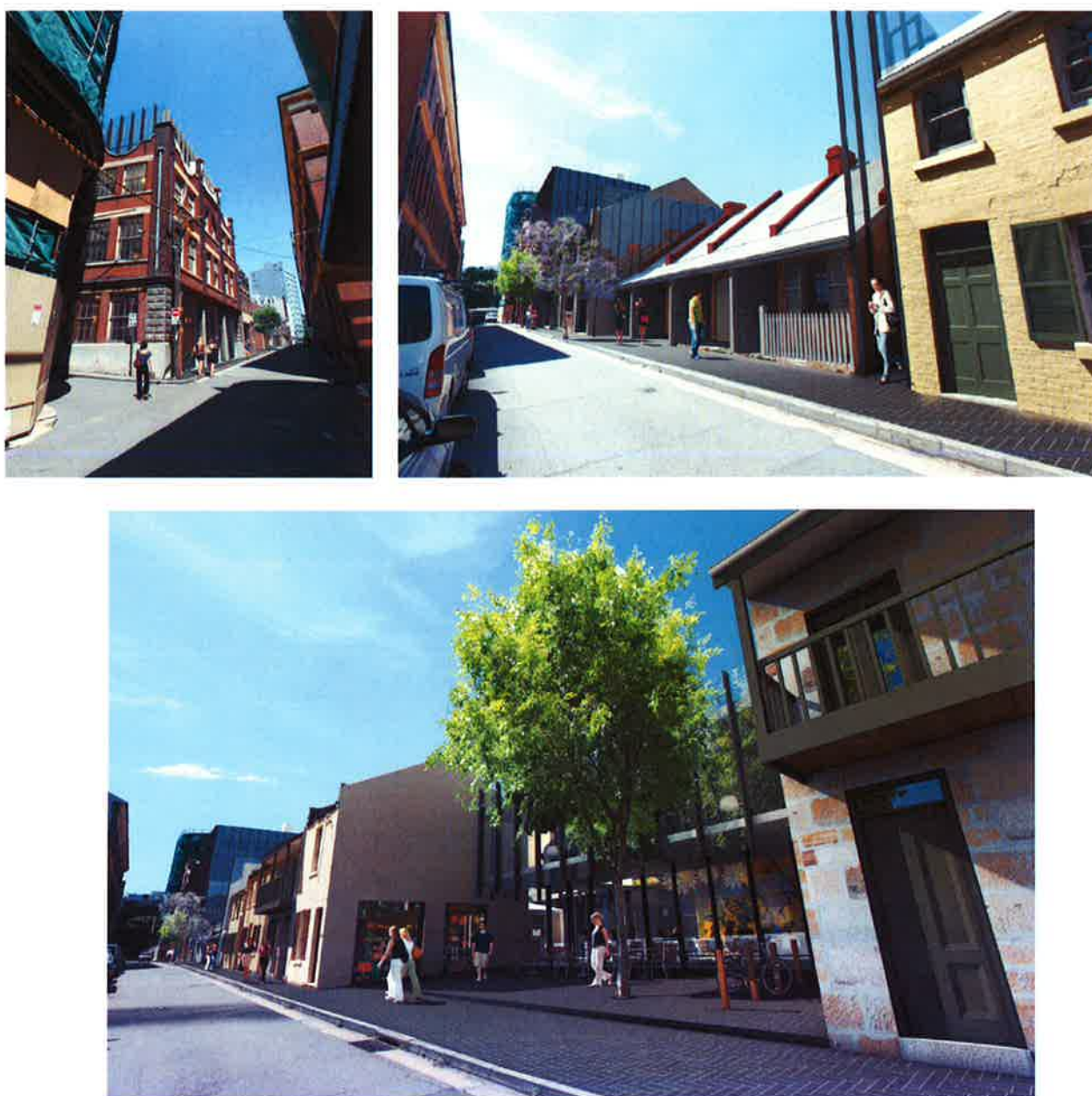


Figure 2. Photomontages of proposed development from Kensington Street

The proponent is not seeking approval for the fit-out or operation of the individual tenancies, as part of this application. Fit-out and operation of the individual tenancies will be the subject of future development applications made to Council. Future development applications will include consideration of detailed issues including hours of operation, alcohol licensing and any restrictions on patron capacity, outside seating or music.

2.2. Project Need and Justification

NSW 2021

NSW 2021 is a 10 year plan to rebuild the economy, provide quality services, renovate infrastructure, restore government accountability, and strengthen the local environment. The proposed development is consistent with goals 1 and 20 of the plan. In particular:

- Goal 1 (improve the Performance of the Economy) aims to grow the NSW economy, including growing employment. In accordance with this goal, the project will create 80 full time equivalent operational jobs; and
- Goal 20 (Building Liveable Cities) aims to locate people closer to employment opportunities. The project is consistent with this goal as it will provide local employment opportunities available on site, which can use existing residents of Chippendale and the local area, as well new residents of the CUB developments.

Draft Metropolitan Strategy for Sydney to 2031

The Draft Metropolitan Strategy for Sydney to 2031 was published in March 2013. The Draft Strategy sets housing and employment targets for the Sydney region at 545,000 new dwellings and 625,000 new jobs by 2031.

The site is located close to Broadway, within Global Sydney and at the far eastern end of the Parramatta Road Corridor. The Draft Strategy also identifies the Parramatta Road corridor as providing an important function, connecting Parramatta and 'Global Sydney'. The corridor is identified as being a focus for new housing and employment opportunities, providing access to improved shops, services and public spaces. The Parramatta Road corridor is to be supported by new transport connections.

The Department considers that the proposal is consistent with the Draft Metropolitan Strategy, as the proposal would provide jobs and active uses which would contribute towards the character and vibrancy of the surrounding urban neighbourhood.

Draft Sydney City Sub-Regional Strategy

The site falls within the area defined by the Draft Sydney City Subregional Strategy. The Draft Sub-Regional Strategy, released in July 2008, identifies the Central Park site as a mixed use employment zone. Employment targets for the sub-region have been updated by the Draft Metropolitan Strategy, as identified above. The Draft Sydney City Sub-Regional Strategy has a total job target of 58,000 additional jobs to 2031, within the Sydney City subregion. This target will be updated now the Draft Metropolitan Strategy has been released.

The Central Park site is specifically identified within the Draft Sub-Regional Strategy as providing opportunities to link business, education and residential activities, contributing towards the realisation of a 'creative crescent'.

The proposal will create up to 80 jobs within the Kensington Precinct. The proposal is therefore considered to be consistent with the aims and objectives of the Draft Sub-Regional Strategy, contributing towards identified job targets within Sydney city centre and regeneration of the south-western part of Central Sydney.

3. STATUTORY CONTEXT

3.1. Major Project Declaration

On 8 February 2007, the then Minister for Planning approved Concept Plan MP06_0171 for the mixed use redevelopment of the subject site (including residential, commercial, retail and public open space). In this approval, the then Minister determined that applications to carry out the project or stages of the project with a Capital Investment Value (CIV) of \$5 million or more, would be subject to Part 3A of the *Environmental Planning and Assessment Act 1979* (the EP&A Act).

The CIV of the Project Application is \$14,326,387, which is greater than \$5 million and therefore, Part 3A of the EP&A Act applies to the proposal.

3.2. Continuing Operation of Part 3A

Part 3A of the EP&A Act, as in force immediately before its repeal on 1 October 2011 and as modified by Schedule 6A to the EP&A Act, continues to apply to transitional Part 3A projects. Director-General's Environmental Assessment Requirements (DGRs) were issued in respect of this project prior to 8 April 2011, and the project is therefore a transitional Part 3A project.

Consequently, this report has been prepared in accordance with the requirements of Part 3A and associated regulations, and the Minister (or his delegate) may approve or disprove of the carrying out of the project under Section 75J of the EP&A Act.

3.3. Determination under Delegation

The Minister has delegated his functions to determine Part 3A applications to the Executive Director, Development Assessment Systems and Approvals, where:

- The Council has not made an objection; and
- There are less than 25 public submissions objecting to the proposal; and
- No political disclosure statement has been made in relation to the application.

There have been 11 submissions received from the public. Council raised no objections in relation to the RtS proposal, subject to conditions, which have been recommended. There has been no political donation declared in relation to this Project Application or any other related application within the past two years, therefore the application is able to be determined by the Executive Director, under delegation.

3.4. Permissibility

The site is zoned 'City Edge' under the *Sydney Local Environmental Plan 2005*. The project is permissible with consent within the City Edge zone.

3.5. Environmental Planning Instruments

Under Sections 75I(2)(d) and 75I(2)(e) of the EP&A Act, the Director-General's report for a project is required to include a copy of, or reference to, the provisions of any State Environmental Planning Policy (SEPP) that substantially governs the carrying out of the project, and the provisions of any Environmental Planning Instrument (EPI) that would (except for the application of Part 3A) substantially govern the carrying out of the project and that have been taken into consideration in the assessment of the project.

The Department has considered the proposal against the relevant EPIs and is satisfied that the proposal is consistent with the objectives of these. The Department's detailed consideration of relevant SEPP's and EPI's is provided in **Appendix C**.

3.6. Objects of the EP&A Act

Decisions made under the EP&A Act must have regard to the objects of the EP&A Act, as set out in Section 5 of the EP&A Act. The relevant objects are:

(a) to encourage:

- (i) *the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment,*
- (ii) *the promotion and co-ordination of the orderly and economic use and development of land,*
- (iii) *the protection, provision and co-ordination of communication and utility services,*
- (iv) *the provision of land for public purposes,*
- (v) *the provision and co-ordination of community services and facilities, and*
- (vi) *the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats, and*
- (vii) *ecologically sustainable development, and*
- (viii) *the provision and maintenance of affordable housing, and*
- (b) *to promote the sharing of the responsibility for environmental planning between the different levels of government in the State, and*
- (c) *to provide increased opportunity for public involvement and participation in environmental planning and assessment.*

The Department has considered the Objects of the EP&A Act in the assessment of the application. The use of the site for retail and commercial development, will ensure that the site is utilised in an orderly way providing job opportunities and uses to support the surrounding residential and employment population. Adequate utilities and services for the development have been accommodated. The Department has considered the appropriate management of the proposed uses and has recommended conditions of approval in order to mitigate impacts on the surrounding neighbourhood.

With respect to Ecologically Sustainable Development (ESD), the EP&A Act adopts the definition in the Protection of the *Environment Administration Act 1991* including the precautionary principle, the principle of inter-generational equity, the principle of conservation of biological diversity and ecological integrity, and the principle of improved valuation, pricing and incentive mechanisms. This is discussed in section 3.7 below.

Having regard to the public benefits to be provided, the limited environmental impacts and consistency with relevant planning controls, the proposal does not raise significant issues that are contrary to the Objects under the EP&A Act.

3.7. Ecologically Sustainable Development

The EP&A Act adopts the definition of ESD found in the *Protection of the Environment Administration Act 1991* (PoEA Act). Section 6(2) of the PoEA Act states that ESD requires the effective integration of economic and environmental considerations in decision-making processes and that ESD can be achieved through the implementation of:

- (a) *the precautionary principle,*
- (b) *inter-generational equity,*
- (c) *conservation of biological diversity and ecological integrity,*
- (d) *improved valuation, pricing and incentive mechanisms.*

The Department has considered the proposed development in relation to the ESD principles and has made the following conclusions:

- Precautionary Principle- Remediation of the whole former Carlton United Brewery site was considered and approved as part of MP07_0163, remediation and transitional works. The approved remediation works have largely been carried out. Standard conditions to manage any potential environmental impacts of the development are recommended.

- **Inter-Generational Equity**- The proponent has made a commitment to design the buildings to a 5 Star Green Star standard. The development will also be linked to the Central Park site's Central Thermal Plant (CTP) and blackwater treatment plant, which will contribute towards the sustainability credentials of the development by satisfying the development's hot water needs, will recycle of wastewater and re-use it in the development for non-potable uses. Refer to proponent's Statement of Commitments.
- **Biodiversity Principle** – The subject site has been extensively developed for some time and is occupied by built structures. This site has low environmental sensitivity and the project would not disturb any flora or fauna.
- **Valuation Principle** - The cost of infrastructure and measures to ensure an appropriate level of environmental performance have been incorporated into the cost of development on the site.

The proponent has advised that the proposal is ineligible to be rated under the Green Star – Retail Centre v1 rating tool. However, the proponent has committed to designing the development to 5 Star Green Star rating principles. Blocks 6 and 7 have been designed in accordance with the principles of the Green Star Retail Centre rating tool, as outlined in the proponent's ESD Strategy. In addition, the ESD Strategy has identified specific ESD initiatives, which will be implemented in the construction and operation of the development, which form part of the proponent's Statement of Commitments.

To satisfy the requirements of the approved Concept Plan, a condition is recommended requiring the proponent to provide documentation, prepared by a suitably qualified consultant, indicating that the development been designed and constructed in accordance with the principles of a 5 star 'Green Star Building. Refer to recommended **Conditions B32** and **E24**.

3.8. Statement of Compliance

In accordance with section 75I of the EP&A Act, the Department is satisfied that the Director-General's Environmental Assessment Requirements have been complied with. Refer to **Appendix A**.

4. CONSULTATION AND SUBMISSIONS

4.1 Exhibition

Under section 75H(3) of the EP&A Act, the Director-General is required to make the EA for an application publicly available for at least 30 days. After accepting the EA, the Department publicly exhibited it from Wednesday 23 January 2013 until Friday 1 March 2013 (38 days) on the Department's website, and at the Department's Information Centre on Bridge Street, Sydney and The City of Sydney Council Offices at Town Hall, Kent Street, Sydney. The Department also advertised the public exhibition in the Sydney Morning Herald, the Daily Telegraph and the Central Courier newspapers on 23 January 2013 and notified surrounding landholders and relevant Government authorities, in writing.

The Department received 16 submissions, 5 submissions from public authorities and 11 submissions from the general public and special interest groups.

The Department received a further two (2) public submissions in relation to the RtS and a submission from City of Sydney Council.

A summary of the issues raised in all submissions is provided below.

4.2 Public Authority Submissions

Five submissions were received, in response to the exhibition of the EA, from public authorities. None of the public authorities objected to the proposed development but rather provided comments

for consideration in this assessment and in the drafting of conditions of approval. Each of the issues raised by the government agencies and Council are addressed separately below:

City of Sydney Council advised that the proposed adaptive reuse within the Central Park development was generally supported, subject to a number of issues to be considered in the assessment and when imposing conditions of approval. The issues raised by Council are as follows:

- Recommends careful consideration of the cumulative impact of licenced premises in the precinct, particularly the provision of large scale bars and restaurants (such as the 4 level complex proposed at 2-12 Kensington Street);
- Generally considers height breaches to the Concept Plan acceptable;
- Recommends that the pocket park incorporate 10% deep soil area and permeable surfaces and that the treatment of the park acts to clearly separate the space as an identifiable park;
- Considers the traffic generation rates used within the Transport Assessment Report to be insufficient given the traffic generated by drop offs to and from food and drink premises within the precinct;
- Supports the existing bicycle spaces in principle but considers the number and facilities to be insufficient. Recommends bicycles spaces and facilities to be in accordance with Sydney DCP 2012; and
- Identifies the shared zoned along Kensington Street is not part of this application however is considered generally acceptable (this is subject to separate ongoing discussions with Council).

The proponent's RtS has responded to each of Council's concerns and the design has been amended accordingly.

Council also recommended a number of conditions which have been incorporated into the recommended conditions of approval in relation to:

- Separate DAs required for individual tenancies;
- Public Domain works;
- Plan of management to be submitted and approved;
- Conservation works;
- Bicycle spaces and facilities; and
- Noise levels.

The Department received an additional submission from Council in relation to the RtS on 6 June 2013, along with revisions to the recommended conditions of approval provided in response to the EA. In summary, Council's additional comments on the RtS were:

- Seeking a maximum capacity of 485 patrons across the precinct to be included in the conditions of approval;
- Accepts the revised bicycle parking provision, however raises concerns with the number of bicycle parking spaces proposed within the pocket park and recommends those spaces be relocated throughout Blocks 6 and 7;
- Supports the addition of permeable paving in the pocket park, however were concerned the design does not provide sufficient soft landscaping or furniture to encourage public use;
- Requests the details of proposed gates/barriers to restrict public access and an amended Safety Management Strategy and Safety Management Plan be provided to Council for approval prior to the issue of a Construction Certificate;
- Support the proposed rear dormer extension to No. 38 Kensington Street, subject to the detailed design complying with the Sydney DCP 2012 controls;
- Raises no objection to the proponent's request to delete the heritage condition; and
- Suggests a condition of approval to require separate applications for signage and the erection of awnings.

The **Heritage Council of NSW** raised no issues with the proposal. The Heritage Council was supportive of the proposed conservation and adaptive reuse of a number of the more significant

buildings on the site, including the terrace houses and key stores buildings (the Run Store and the General Store).

The Heritage Council also support Statement of Commitments 12 and 13, which commit to undertaking works in accordance with the proponent's Heritage Impact Statement, which will satisfactorily manage the heritage impacts of the proposal.

The **Office of Environment and Heritage** (OE&H) and RMS raised no issues in relation to the proposal.

Sydney Water advised that due to the type and scale of development proposed, the proponent will be required to obtain a Section 73 Certificate under the Sydney Water Act 1994. A condition is recommended accordingly.

The issues and concerns raised in submissions are addressed in the Department's assessment of the proposal at Section 5.

4.3 Public Submissions

A total of 11 submissions objecting to the proposal were received from the public in relation to the EA. A further 2 public objections were received in response to the RtS, from persons who had already previously made a submission.

The key issues raised in public submissions are listed in **Table 2**.

Table 2 - Summary of Issues raised in Public Submissions

Issue	Proportion of Submissions (%)
Cumulative impacts of retail uses and licenced premises	64%
Acoustic amenity	64%
Insufficient parking	45%
Safety issues related to alcohol consumption	36%
Additional vehicle traffic	27%
Insufficient 'creative' venues	9%
Impact of external lighting	9%
Opposed to retail along the rear boundary	9%
Desire for clear commitments from the proponent	9%

The Department has considered the issues raised in submissions in its assessment of the project in Section 5 of this report.

4.4 Proponent's Response to Submissions

On 5 April 2013, the Department wrote to the proponent outlining a number of key issues to be addressed as well as requesting some additional information and a response to all submissions received. The Department's key issues related; to visual impacts of new additions, potential cumulative amenity impacts and the management of licences premises, acoustic impacts, pedestrian safety, traffic and loading/unloading, bicycle parking provision and design of the pocket park.

On 15 May 2013 the proponent provided a RtS which made modifications to the project. The RtS can be viewed in **Appendix B**.

Key changes to the proposal made by the proponent include:

- Provision of additional bicycle parking spaces for staff and visitors, increasing the provision from 13 to 41 spaces, with associated locker and end of journey facilities for staff;
- Redesign of the landscape design of the pocket park to provide deep soil and porous ground surfaces;

- Introduction of a rear dormer window to no. 38 Kensington Street, to provide additional natural light and ventilation to the upper level of the building; and
- Identification of signage zones on the proposed glazed entry walkways.

The proponent also provided additional information and justification in relation to issues raised in relation to the EA, including: building envelopes, amenity impacts on surrounding residences as a result of the cumulative impacts of the Central Park development and acoustic impacts.

The Department referred the RtS to Council and the Chippendale Residents Interest Group on 16 May 2013 for information. The RtS was also placed on the Department's website.

5. ASSESSMENT

The Department considers the key environmental assessment issues for the project to be:

- Consistency with the approved Concept Plan;
- Management and operation of the development; and
- Traffic generation, vehicle access and management, bicycle parking and pedestrian movement.

Other issues addressed in the Department's assessment include heritage, amenity of commercial space at No. 38 Kensington Street, signage and landscape design of the pocket park.

5.1 Consistency with the Approved Concept Plan

Building Envelopes

The exhibited Environmental Assessment provided an assessment of the proposed development against the building envelopes approved in the Concept Plan. **Figure 2** below illustrates the proposed changes to the approved building envelopes.

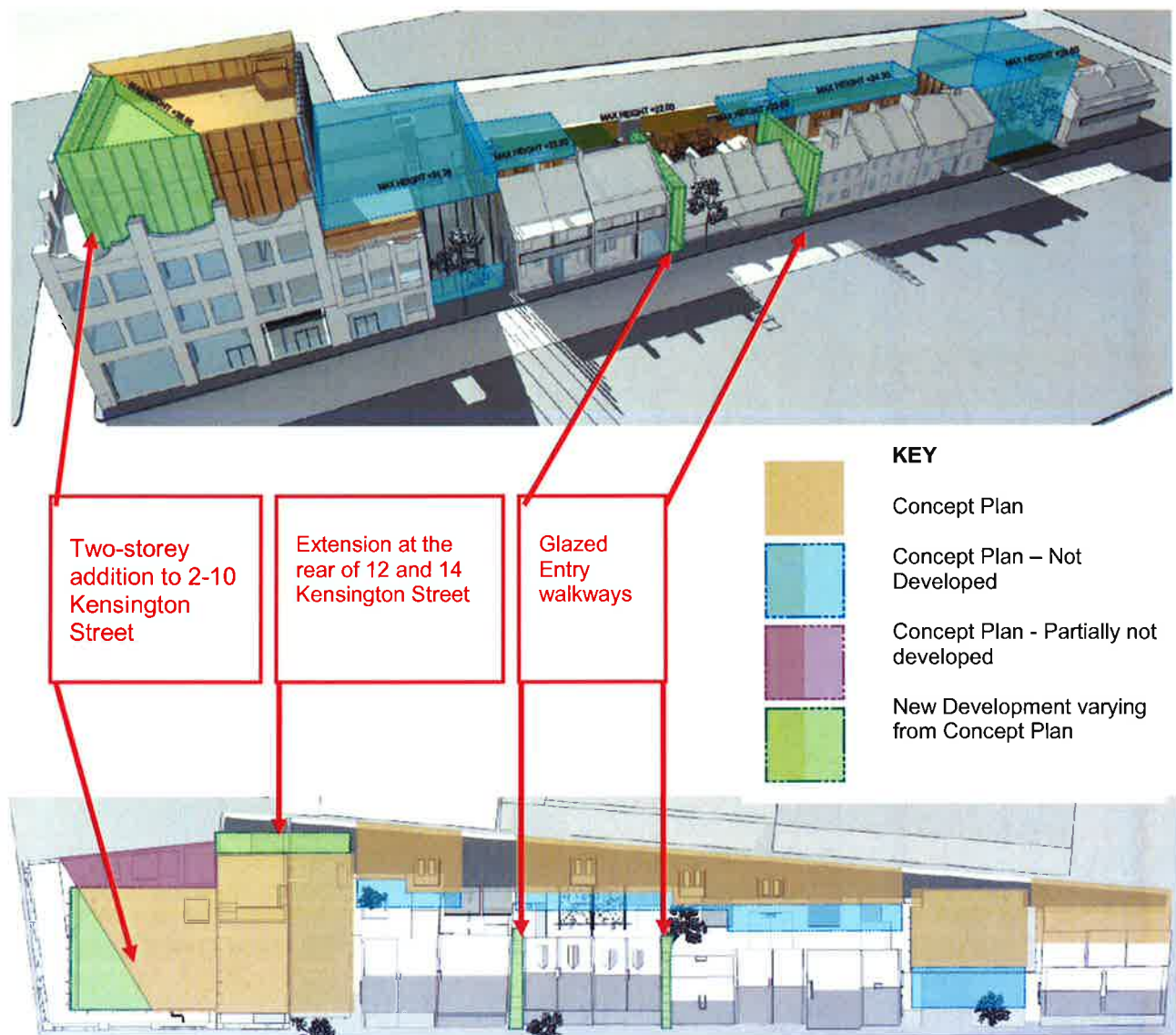


Figure 3 – Concept Plan Analysis 3D perspective and plan view (source: TZG)

The proposed variations seeking additional bulk to the approved Concept Plan envelopes are:

- Re-alignment of the front elevation of the new two-storey addition to 2-10 Kensington Street;
- Extension of the envelope at the rear of 12 and 14 Kensington Street; and
- Introduction of glazed entry walkways between 20-22 and 28-30 Kensington Street.

These variations are assessed in detail below.

Two-storey addition to 2-10 Kensington Street:

The proposed two-storey addition to 2-10 Kensington Street complies with the maximum building height approved by the Concept Plan. However, the proposed alignment of the northern elevation of the new two storey addition, varies from the approved Concept Plan. The approved Concept Plan envelope has a splayed building alignment on the northern elevation (**Figure 3**).

The Department raised concern, that the modified alignment could result in negative visual impacts when viewed from the public domain. The Department suggested that consideration should be given to aligning the north façade of the proposed addition parallel with the alignment of the existing building below.

In the RtS, the proponent prepared 3D model views illustrating the proposed visual impacts of the proposed and an alternate parallel alignment of the upper floor addition (**Figure 4**).

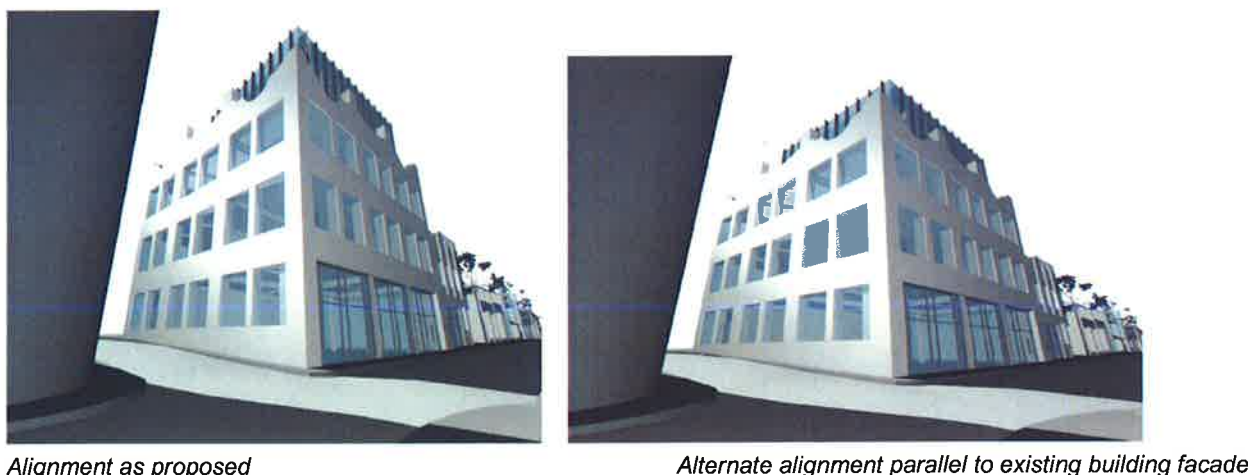


Figure 4 – 3D views of alignment of addition to 2-10 Kensington Street (source: TZG)

The Department has considered the 3D photomontages and accepts there will be little discernible difference in the alternate alignment of the roof top addition to 2-10 Kensington Street, when viewed from street level.

From an urban design perspective the Department considers that the proposal is acceptable. The proposed two storey addition is designed as a light weight glazed structure, providing a contemporary addition in contrast to the historic fabric of the existing building below. The proposed design is considered to provide an appropriate contemporary response to the heritage context of the existing building and the surrounding area. The Department also notes that Council and the Heritage Council of NSW did not raise any concerns regarding the proposal. The Department therefore considers that the modified building alignment is acceptable.

With regard to overshadowing impacts, the additional shadows cast by the modified building alignment will generally be cast within the shadow of the approved envelope. Some additional shadows will be cast over Kensington Street, but this will only be between 12 noon and 3pm at midwinter (21 June). The Department therefore considers that the overshadowing impacts from the proposed alignment of the two storey addition will be negligible.

Rear extension to 12 and 14 Kensington Street:

The proposed rear addition to 12 and 14 Kensington Street would be constructed up to the eastern site boundary, which varies from the approved Concept Plan building envelope, which has a setback of approximately 4 metres. The maximum height of the proposed addition would however, be reduced to RL 28.76, or 2.44 metres lower than the approved Concept Plan building height of RL 31.20.

Concern was raised in the public submissions that the proposed variation to the Concept Plan building envelope to 12 and 14 Kensington Street could result in negative amenity impacts to adjacent residential properties to the east. The submissions requested that diagrams indicating the angle of views from adjoining properties be provided, to allow an assessment of impacts on views and potential overshadowing impacts.

The ground floor level of the site is 200-400mm lower than the adjoining properties to the rear. Although the proposed rear addition would be closer to the property boundary than the Concept Plan building envelope, due to the varied site levels, the building at the boundary, would sit below the existing boundary wall (**Figure 5**).

In the RtS the proponent provided a diagram comparing the approved Concept Plan and proposed building envelopes (**Figure 5**), which illustrates that the angle of view from adjoining properties would not vary from the approved Concept Plan building envelope. The shadow diagrams submitted with the EA also demonstrate that no additional overshadowing of neighbouring properties would occur as a result of the proposed change to the approved Concept Plan envelope.

The Department is therefore satisfied that the proposed extension to the Block 6 building envelope is acceptable. The stepped building form and the lowering of the maximum building height would mean that there are no negative impacts on surrounding properties in terms of visual views or overshadowing.

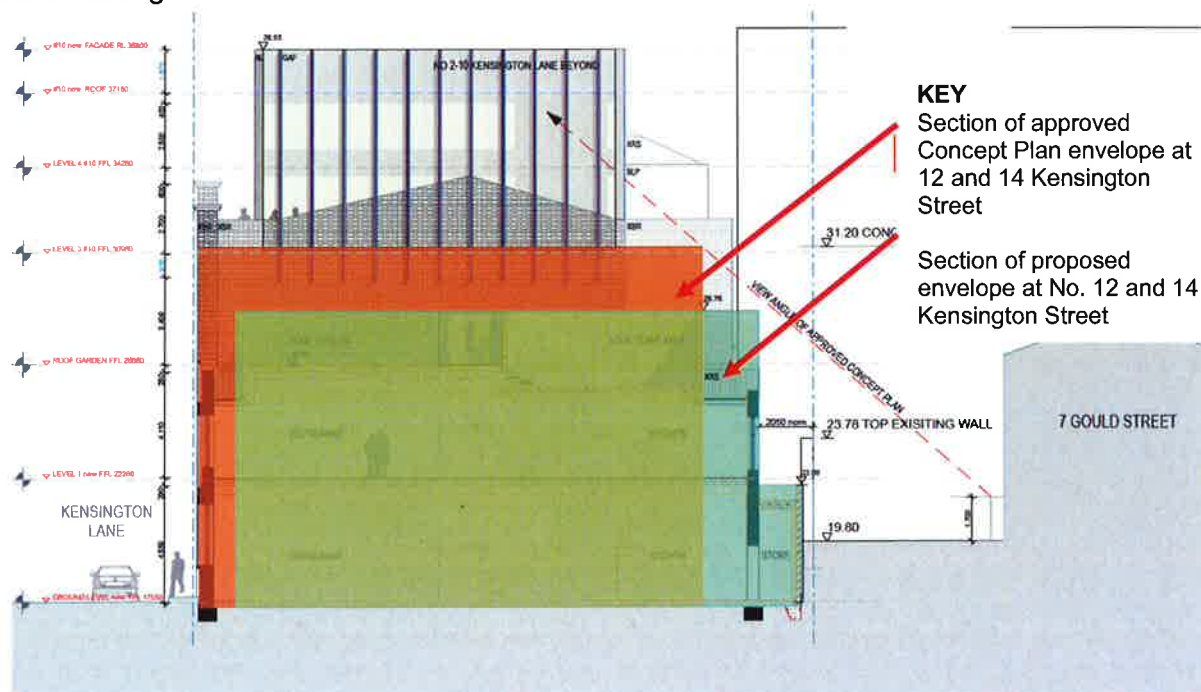


Figure 5 – Approved and proposed building envelopes at 12 and 14 Kensington Street (source: TZG)

Glazed Entry Walkways:

The proposal includes the construction of two separate glazed walkways located between Nos. 20-22 and 28-30 Kensington Street. The glazed walkways would provide pedestrian access from the street to the rear courtyards of the existing terraces fronting Kensington Street. The glazed

walkways are variations from the approved Concept Plan building envelopes. The glazed walkways are to be constructed of transparent glazing and steel frames (**Figures 6 and 7**).

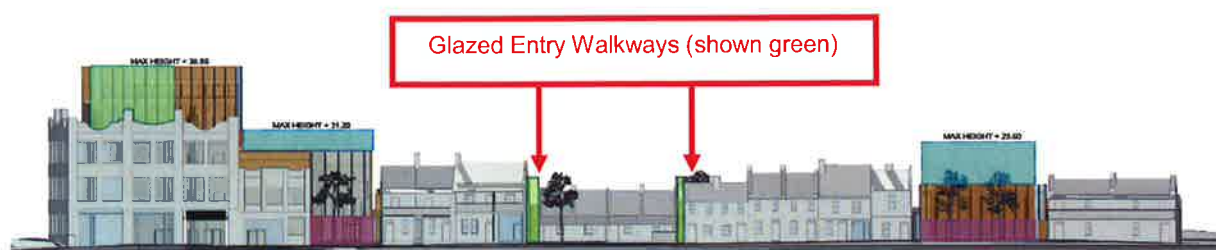


Figure 6 – Kensington Street Elevation showing the proposed glazed entry walkways (source: TZG)



Figure 7 – Glazed Entry Walkways (source: TZG)

The proponent's EA stated that the form of the glazed pedestrian links have been designed to reflect the form and height of the parapets of surrounding terraces and would clearly identify pedestrian entry into the site, without detracting from the quality of surrounding buildings.

Shadow diagrams submitted with the EA, show that additional shadows cast by the glazed walkway would occur only to the subject site and the public domain at mid-winter.

From an urban design perspective, the Department considers that the proposed glazed entry walkways would provide a contemporary design response to the existing terraces. It is also considered that the proposed entry walkways would be visually sympathetic to the heritage context of the site due to the use of light weight transparent materials. The variation is therefore considered acceptable.

Design Architect

The design architect for the project is Tonkin Zulaikha Greer Architects, which is in accordance with the requirements of the approved Concept Plan, which has specified this architect for this stage of the Central Park redevelopment.

Gross Floor Area and Non-Residential Floor Area Provisions

The approved Concept Plan (as modified) stipulates maximum Gross Floor Areas (GFA) for individual blocks, as well as restrictions on the percentage of residential and non-residential uses for the entire Central Park site.

The Concept Plan limits the total maximum GFA of 3,100m² for Blocks 6 and 7, comprising of 2,000m² for Block 6 and 1,100m² for Block 7.

Table 3 below illustrates that the proposed development will comply with the maximum GFA for Blocks 6 and 7, permitted by the approved Concept Plan (as modified).

Table 3 - Total GFA - Approved and Proposed

Block	Max Permitted GFA	Proposed GFA	Total Proposed	Complies with Concept Plan?
Block 6	2,180m ²	2000m ²	3,100m ²	YES
Block 7	1,250m ²	1,100m ²		YES

Table 4 below illustrates that the proposal will not exceed the maximum total GFA permitted for the whole Central Park site as stipulated by the approved Concept Plan (255,000m²). The proposal will contribute towards the total non-residential GFA across the Central Park site which will continue to be monitored as part of the assessment of future Project and Development Applications.

Table 4 - Total Central Park GFA, and Residential and Non-residential GFA - Approved and Proposed

Land Use	Permitted GFA (max)	Proposed GFA	Cumulative Total*	Complies with Concept Plan?
Residential	Not more than 70% total GFA	0m ²	109,264.90m ² or 50.1%	Towards ongoing total
Non-residential	Not less than 30% total GFA	2,997.2m ²	106,195.8m ² or 49.9%	Towards ongoing total
TOTAL	255,500m ²	2,997.2m ²	215,460.7m ² or 84.3% of 255,500m ²	Yes

Note *: Includes approved development on Blocks 1 and 4, Blocks 5A and 5B MOD 3, Block 2 MOD 3, Block 5C MOD 1 and Blocks 3A, 3B and 3C and Block 10 MOD 1 and Blocks 6 and 7.

This proposal does not seek to alter the overall approved GFA under the Concept Plan approval, nor does it seek to alter the approved residential / non-residential land use mix across the Central Park site. The Department notes however, that a number of modification applications and State Significant Development application are currently being considered by the Department to amend the approved total GFA and the approved land use mix. The current modification applications do not have any specific impact on this Project Application.

Street Activation

Modification A5 of the approved Concept Plan requires developments to provide sufficient street activation along Kensington Street. The Department considers that proposed direct access to the ground level restaurants, retail and cafes, off Kensington Street, would provide appropriate activation of the surrounding streets, while retaining the heritage façades and character of the existing buildings. The Department is satisfied that the proposal would provide an appropriate level of street activation to achieve the intent of the Concept Plan approval.

Ecologically Sustainable Development

Future Assessment Requirement B12 'ESD and Sustainable Design' of the approved Concept Plan requires Project Applications for all residential, commercial and retail development (including adaptable re-use of heritage buildings) to achieve a minimum 5 Star Green Star rating.

The proponent has committed to designing the development to 5 Star Green Star rating principles. However, the proponent has advised that the proposal is ineligible to be rated under the Green Star – Retail Centre v1 rating tool. Blocks 6 and 7 have been designed in accordance with the principles of the Green Star tool, as outlined in the proponent's ESD Strategy prepared by WSP and submitted with the exhibited Environmental Assessment. In addition, the ESD Strategy has identified specific ESD initiatives, which will be implemented in the construction and operation of the development, which form part of the proponent's statement of commitments at **Appendix F** of the recommended instrument of approval.

A condition is recommended requiring the proponent to provide documentation, prepared by a suitably qualified consultant, indicating that the development has been designed and constructed in accordance with the principles of a 5 star 'Green Star Building. Refer to recommended **Conditions B32** and **E24** of the recommended instrument of approval. Subject to recommended conditions of approval the Department is satisfied that the proposal would be consistent with the Concept Plan approval with regard to ESD.

5.2 Management and Operation of the Development

A number of public submissions raised concerns with operational aspects of the proposal in relation the food and beverage premises fronting Kensington Street. Submissions specifically raised issues with the potential cumulative impacts from this and other recently approved development on and around the Central Park site.

The proponent submitted a draft Operational Management Plan (OMP), with the exhibited Environmental Assessment, which addressed the following matters:

- Responsibilities of the retail/commercial operators and building management and the requirement for full-time management;
- Emergency and evacuation procedures;
- Critical incident management protocols;
- Contactability (including over the holiday period);
- Maintenance and cleaning schedule;
- Deliveries, loading and unloading;
- Building security and access;
- Registration and grievances and guest dispute procedure;
- External complaints handling procedure;
- Visitor behaviour; and
- Management of internal and external common areas.

It is noted that Council raised no objections to the proposed land uses, which are consistent with the approved Concept Plan, however, reiterated public concerns with regard to the potential amenity impacts and management of licenced premises and requested the Department consider this in its assessment. The Department provides an assessment of the key management and operational issues below:

Cumulative amenity impacts and management of licenced premises

The proposal seeks approval for a number of retail and commercial premises which may or may not be used for future licenced premises.

The majority of public submissions received raised concerns with the high number and concentration of potential licenced premises in the area. Specifically, concerns raised related to potential impacts on the amenity of the local neighbourhood including:

- A high concentration of licenced venues within the proposal;
- The provision of outdoor roof terrace decks and the potential noise effects on local residents throughout the day and at night; and
- The potential for the proposal to provide for up 1,800 patrons in accordance with maximum allowances of the Building Code of Australia.

The Department raised similar concerns in response to the EA and requested further information to understand how future licensed premises would be managed to ensure their cumulative impact would not result in detrimental amenity impacts on surrounding residences. This included a request for further detail specific to the proposed land uses, the likely size of potential tenancies and how impacts will be effectively managed. Details of proposed mitigation measures achieved by way of this application and any future development applications were also requested to be considered.

In its submission, Council requested that the Department give consideration to limiting the patron capacity of the development, such that any future fit out and use of the tenancies within Blocks 6 and 7 would be required to consider appropriate distribution of patron capacity across the precinct and compliance with relevant planning and building regulations.

In response to concerns raised the proponent's RtS made the following comments with regard to cumulative impacts associated with the future retail and commercial operations:

- The proposal would provide for a mix of retail shops and food and beverage premises;
- Future tenancies could operate during the day to cater for workers or in the evening catering for residents;
- The night time activities would assist in supporting the Kensington Precinct, as a vibrant, mixed use locality;
- Some of the larger food and beverage premises are identified as being restaurants;
- All future tenancies would be the subject of separate development applications to Council. Each application will be required to be considered having regard to Council's Late Night Trading DCP. Potential amenity impacts could be managed by way of future Plans of Management (if applicable);
- Any tenancies seeking to sell alcohol would require a license form the Office of Liquor, Gaming and Racing. Future tenants will be required to comply with licencing conditions, including the responsible service of alcohol;
- The specific tenancies are yet to be determined; and
- The patron capacities outlined in the EA are maximum capacities, and were provided for BCA compliance purposes.

The proponent has indicated a need for some flexibility in the range of uses which may occupy the retail and commercial floor space to be able to respond to changes in market conditions and to suit a range of tenant needs.

The Department considers that limiting the overall capacity of the venues, at this stage, would place an undue burden on the development by restricting the range and type of final uses. By requiring the submission of future development applications for the use and fit-out of premises, the specific uses would be able to be considered against specific local policies, including Council's Late Night Trading Development Control Plan. Council could condition future development applications in terms of uses, hours of operation, patron capacity and any restrictions on outdoor seating and/or music etc. It is also understood that safety and security management plans will also be required by Council to be prepared for licenced premises, and the proponent has committed to implementing the recommendations of the Security Management Plan and Safety Management Plan prepared by Elton Consulting.

The Department has had regard to the public submissions and the submissions from Council, and is satisfied that the proposed mix of uses, are consistent with the Concept Plan approval and would assist in facilitating an active street precinct, in a highly accessible, urban location. The specific

impacts of uses on surrounding residents will be considered as part of future development applications, once specific tenants are identified. The Department is satisfied that the proposed uses are acceptable and subject to appropriate management will make a positive contribution to the neighbourhood character and vitality of Kensington Street and the surrounding area.

Acoustic impact

Concerns were raised in a number of public submissions in relation to potential impacts on acoustic amenity of surrounding residential properties, particularly given the potential cumulative impact of the proposed and approved developments in and around the Kensington Precinct. Concerns were also raised with the accuracy of the noise modelling in relation to background levels and questioned whether adequate regard had been given in the assessment of noise arising from the use of the proposed terraces on levels 2 and 3 at 2-10 Kensington Street.

The Department sought additional detail from the proponent in relation to likely acoustic impacts on surrounding uses from future operations. The proponent's RtS included a statement by acoustic consultants WSP, which addressed the potential cumulative noise impacts from the proposal and surrounding recently approved and proposed developments. Further justification was also provided in relation to concerns raised in the submissions with the acoustic modelling method.

The acoustic report confirmed that background noise measurements were taken as part of the previous Frasers Broadway Site Development Assessment (dated 7 May 2008), which provided the base for the design of all buildings on the site as part of a Concept Plan modification. The baseline information has formed the basis for the assessment of all recent applications on the Central Park site, including setting noise limits for all equipment used on site, drawn from the NSW Industrial Noise Policy. This has previously been accepted by the Department and Council in the assessment of other project applications and is the basis for conditions of approval requiring compliance with specific noise criteria. The Department is therefore satisfied that the basis for the acoustic modelling is satisfactory.

While the proponent's acoustic report confirmed that the acoustic impacts of specific uses would be considered as part of future development applications, through the assessment of detailed acoustic reports, it did provide general advice on the likely acoustic impacts of the development.

The Acoustic Report submitted with the EA confirms that subject to recommended mitigation measures, the proposal would not result in any adverse impacts on surrounding development. In addition, the report advised that the mitigation measures recommended are not specifically onerous, and could be implemented as part of future development consents.

The report also specifically considered the potential impacts arising from patron use of the level 2 and 3 terraces at 2-10 Kensington Street. The report concluded that, subject to the implementation of maximum noise limits on future operations, the resulting noise, when measured at 1 metre from the site boundary, would not exceed day or night time background noise levels.

Subject to the implementation of Council's recommended condition of approval, requiring noise at any adjoining residential boundary, not to exceed 5dB above background noise level, and 3dB within any habitable room of surrounding residences (**Condition F5**), the Department is satisfied that the proposal (as currently considered) would not result in unacceptable noise impacts. A condition is also recommended for the operation of the retail and commercial tenancies ensure to offensive noise is not omitted from any mechanical plant (**Condition F8**).

Subject to the above recommended conditions, together with further consideration of noise impacts as part of future development applications, for individual tenancies, the Department is satisfied that the proposal is acceptable in relation to acoustic impacts.

Public access to rear laneway and courtyards

Clarification was sought from the proponent regarding public access to the rear laneway and courtyards. The proponent has confirmed that approval is sought to limit public access to the rear courtyards of the retail tenancies, to the hours of operation of the retail and commercial premises. Access would be restricted with gates and barriers at the numerous access points to the rear courtyards. The management of access will be the responsibility of the development's property manager. Neither the Department nor Council raise any objections to the restriction of public access to the rear courtyards, outside of trading hours. However, to ensure an acceptable streetscape appearance and the orderly management of the spaces, conditions are recommended requiring the submission and approval of further details of the proposed gates and barriers. Conditions are also recommended to require the revision of the submitted Security Management Strategy and Safety Management Plan, prior to the issue of a Construction Certificate (**Conditions B4 and B5**).

5.3 Traffic, Access and Parking

Traffic Generation

Both Council and the Department raised concerns that the potential traffic generated by the proposal had not been adequately accounted for in the EA. Specifically, the traffic generated from dropping off and picking up patrons from the proposed retail and commercial uses had not been adequately analysed.

The proponent's Traffic and Parking Report submitted with the EA concluded that the site has easy and convenient access to high frequency and good quality public transport services. A number of bus services operate along the adjoining Broadway, day and night. In addition, Railway Square, a major bus exchange and Central Railway Station are located within 250m walking distance of the site. The Traffic Report therefore considers that the majority of patrons visiting the site will do so using public transport. In addition, the report advised that the lack of parking within the CBD and drink driving laws would discourage patrons from driving to the site.

Nonetheless, the RtS provided figures of the expected number of taxi trips to and from the development. This considered the Roads and Maritime Services (RMS) suggested seating rates for food and beverage premises to estimate the expected number of private vehicle and taxis trips. Based on a seating rate of 2.1m² per patron and assuming an 85% occupancy rate, this would equate to approximately 15 trips per hour (private and taxi) on a Thursday and Saturday evening and approximately 45 trips per hour (private and taxi) on a Friday evening. It should be noted that the RMS raised no objections to the proposed development.

Having regard to the proponent's RtS, the comments received from Council and public submissions, the Department recommends that a condition be imposed requiring the proponent to undertake a traffic assessment, incorporating survey details of existing retail, food and beverage precincts within inner Sydney, to confirm the likely private vehicle and taxis trips to and from the site. The condition requires the assessment to provide recommendations for the location of a taxi drop-off zone in Kensington Street and the proponent would be required to comply with the recommendations of the assessment, to the satisfaction of Council (**Condition A12**).

Car Parking

Concerns were raised in a number of public submissions that adequate car parking spaces had not been allocated for the proposed development, which would result in negative impacts on the availability of on-street car parking in the surrounding area.

No on-site car parking is proposed as part of this Project Application, however, a total of 10 parking spaces have been allocated for staff and will be provided within the common basement under Blocks 2 and 5A and 5B and Block 5C.

Council's LEP requires a maximum of 18 staff car spaces for the proposed retail and commercial uses. The proposed staff parking complies with Council's maximum parking requirements. Given the nature of the uses proposed for the site and the location in close proximity to public transport,

the amount of and the nature of the provision of car parking proposed is considered acceptable. The proponent has committed to managing the basement parking provided beneath Blocks 2, 5A and 5B and Block 5C in accordance with a car park management plan, to be prepared by the building manager. Refer to the proponent's Statement of Commitments.

The proposal for 10 parking spaces for use by staff is considered acceptable, having regard to the transport objectives for the local area, Council's maximum car parking requirements and the availability of public transport options in close proximity to the site.

Loading and Unloading

The Department raised concern with the proposed single loading dock to be utilised for all proposed retail and commercial uses. Having regard to the Sydney Development Control Plan 2012, a total of 7 loading spaces would be required for the proposed retail uses and 1 space for the proposed commercial uses. The Department sought additional justification from the proponent and details of the likely number, size and type of expected service vehicles to cater for the range of proposed uses and multiple tenancies.

In addition to the potential on-site loading dock, the RtS advised that other loading zones approved within the basement of Blocks 2, 5A, 5B and 5C will be available to service the proposed retail and commercial uses in Kensington Street. A total of 52 services parking/loading bays are available in the combined basement for use by any Stratum lots in the basement including developments within the Kensington Precinct.

The RtS advised that approval is to be sought for a designated on-street loading area on Kensington Street, with the length to accommodate a large rigid truck, a medium sized truck and a van or two single small rigid trucks. The location of the loading zone has not been identified on the architectural or landscape drawings submitted with the RtS. It is understood that this would be sought as part of a future Section 75W modification to the Infrastructure approval MP 09_0164 for works to Kensington Street.

However, the Department is concerned that without the certainty of an additional loading dock on Kensington Street, the proposed arrangement would result in road congestion, safety risks to pedestrians and potential for the misuse of existing on-street parking spaces.

To ensure adequate loading/unloading facilities for service vehicles is provided, a condition is recommended to ensure the ongoing and unrestricted access for service vehicles to the approved loading spaces within the basement of Blocks 2, 5A, 5B and 5C for the retail and commercial tenancies within Blocks 6 and 7. The proponent must demonstrate that appropriate arrangements have been made for the direct and convenient access for tenants of Blocks 6 and 7, prior to the issue of the Construction Certificate (**Condition B12**).

Pedestrian movement and shared zone

The Department raised concern in relation to the potential level of pedestrian movement along Kensington Street and how pedestrian safety will be managed considering the narrowness of the existing footpaths (**Figure 8**). There are no approved pedestrian crossings to Kensington Street and the nature of the approved and proposed uses fronting Kensington Street suggest that there will be a high level of pedestrian movement along the street. The existing footpath on the eastern side of Kensington Street is approximately 1 metre wide in parts, which would only allow for single file pedestrian traffic in each direction.



Figure 8 – Kensington Street narrow footpath width

The proposal would result in the widening of the existing footpath adjacent to the proposed pocket park and the proposed retail tenancies at 14-20 and 22-28 Kensington Street. However, the proposal would generally maintain existing footpath widths where it fronts buildings to be retained.

In addition to the proposed widening of the footpaths, where possible, the proponent outlines that proposal has been designed to encourage pedestrian movement through the site, using the rear courtyards. Opportunities for this have been provided by the multiple entries to the rear courtyards and the efforts to highlight links into the courtyards.

The proponent has expressed a desire to convert Kensington Street into a shared zone (with reduced speed limits and pedestrian priority), advising that consultation in relation to this matter has already occurred with the Council and the RMS. The proponent has indicated an intention to submit a Section 75W modification to the infrastructure project application (MP 09_0164 Stage 2 Infrastructure) to formalise the arrangements for the shared zone, following on from the consultation with the RMS and the City of Sydney.

The Department supports the concept of a potential shared zone, and it is noted that Council has indicated in-principle support in its submission to the exhibited EA. It is further noted that pedestrian safety will also be considered by Council through the assessment of future development applications for tenancy fit-outs and operation.

The Department notes that traffic is currently controlled as a low speed 40km/h zone and is one way only (northbound) along the frontage of Blocks 6 & 7. The Department supports the proposed widening of the footpath along Kensington Street, where possible. In addition, the Department acknowledges the limitations in relation to the existing buildings of heritage significance to be retained and the exclusion of Kensington Street from the proposal. The Department is therefore satisfied that the proposed widening of the footpath at three locations along Kensington Street would improve the existing public domain and would provide for pedestrians to travel safely through the site, as well as Kensington Street.

Bicycle Parking

The exhibited EA proposed 13 bicycle parking spaces for the use of staff and patrons of the development. The proposed 13 spaces were considered by Council and the Department to be insufficient for the anticipated employee and visitor population. The Department requested that the proposal should be amended to provide for additional bicycle parking spaces and end of journey facilities on the site, in accordance with the requirements of the Sydney Development Control Plan 2012.

The Sydney Development Control Plan 2012 requires the provision of 59 bicycle spaces and ended of trip facilities for the proposed development.

As part of the RtS, the proponent increased the proposed provision of secure bicycle spaces from 13 to 41 with 18 spaces allocated exclusively for staff and 23 publically accessible spaces made available for visitors. The provision of lockers and end of journey facilities for staff is also proposed to be located throughout the site. In addition to the providing bicycle parking on site for staff and visitors, the proponent has indicated that, subject to Council approval, additional bicycle spaces will be provided on Council land along Kensington Street, provided at no cost to Council and will be for general public use.

The provision of 41 bicycle parking spaces for staff and visitors, along with additional spaces which the proponent offers to be provided on Council land for public use will reduce the demand for private motor vehicle and encourage more sustainable transport options. The Department considers the proposed number of bicycle spaces and the provision of end of journey facilities on site are acceptable given the close proximity to public transport and the nature of the proposed uses.

Council also accepts the revised bicycle parking provision, however raised concerns with the number of bicycles proposed to be parked within the pocket park, due to the impact on the function and attractiveness of the park. A condition is therefore recommended to require the relocation of the approved bicycle parking to reduce the number of cycle parking racks in the pocket park and to relocate them elsewhere across the site, to the satisfaction of Council (**Condition B6**). Subject to this condition, the proposed bicycle parking provision is considered acceptable.

5.4 Other issues

Heritage

Numbers 46-48 Kensington Street (the former motor garage and Rum Bond Store) are identified as heritage items under the Sydney Local Environment Plan 2005. All existing buildings on Blocks 6 and 7 are listed under the Conservation Management Plan for the Carlton United Breweries Site (prepared by Godden Mackay Logan Heritage Consultants) with the exception of No 14 and No 42-44 Kensington Street. There are no State Heritage Register listings affecting the Kensington Street Precinct.

A Specific Element Conservation Management Plan (SECMP) was prepared by Paul Davies Pty Ltd as part of the proponent's EA. The document builds on the previous heritage studies and Conservation Management Plans prepared for the site, providing recommendations for the appropriate conservation works required to protect the significance of the existing terraces and industrial buildings on site. The SECMP establishes a set of conservation and management policies which consider various opportunities and constraints, for future uses, and archaeological issues relating to the existing buildings.

The SECMP provides specific recommendations relating to the fabric, adaptive re-use and infill development, interpretation, management and research and recording to protect and conserve the heritage significance of the buildings of heritage significance within Blocks 6 and 7.

The proponent's Heritage Impact Statement (HIS), contained within the EA, concludes that the proposed adaptive re-use of the former Rum Bond (2-10 Kensington Street) and the former General Store (No. 12 Kensington Street) as a restaurant and the proposed use of the remaining terraces for retail uses will assist in assuring the long-term retention and protection of the significant buildings on the site. The Department is satisfied that amount of proposed works to existing buildings is relatively modest, ensuring the retention of the traditional character of the retained buildings. In addition, the proposed new works provide an appropriate response to the site's heritage character, allowing the historic features of the existing buildings to continue to be interpreted while also providing visually interesting and attractive new additions.

The Department accepts the findings of the HIS and considers the recommendations of the SECMP have been adequately included in the proponent's Statement of Commitments to protect and manage the heritage significance of the building fabric in Blocks 6 and 7 and other items in the vicinity of the site. The Department has also recommended conditions of approval for the protection of historic buildings on the site. Refer to recommended **Conditions B23 – B25**.

Commercial Office Amenity

Concern was raised by the Department and Council in relation to the amenity of the proposed commercial office space at Level 2 (located within the existing roof space) at No. 38 Kensington Street, due to the lack of available natural light or ventilation to that space. The Department requested that the proponent give consideration to the provision of a dormer window or skylight on the rear (eastern) roof slope of the terrace to provide natural light and ventilation. The RtS provides a rear dormer window to the roof space of No. 38 Kensington Street to address these concerns. The proposed new dormer window has been designed in accordance with the design and size requirements stipulated within Section 4.1.5 of the Sydney Development Control Plan 2012. In addition, the dormer window is considered to have limited visual impacts as it would be located to the rear of the existing terrace. The Department is therefore satisfied that the dormer will provide improved amenity to the space and would not have any detrimental impacts on the heritage character of the street.

Landscape design

The proposal includes publicly accessible open space in the form of rear courtyards to the retail tenancies and a pocket park off Kensington Street. The small pocket park fronting Kensington Street would be achieved by the demolition of the existing building (of no heritage significance) at 42-44 Kensington Street. The pocket park would have an area of approximately 95m² and would be located on the street to encourage public usage.

Council supported the proposed public park, as exhibited in the EA, however raised concerns that the percentage of paved surfaces was excessive and recommended the design be amended to incorporate a minimum 10% of porous and semi porous surfaces. Council and the Department also recommended that materials and planting be used in the design of the pocket park to clearly define recreational and trafficable spaces.

The RtS incorporates additional landscaping and deep soil planting in the pocket park. The revised drawings show some additional soft landscaping and permeable paving. The revised landscape plan also indicates a new proposed large tree to be planted in the deep soil zone, which will provide shade and a pleasant environment and enhance the amenity of this space for employees and visitors to the site (**Figure 9**).

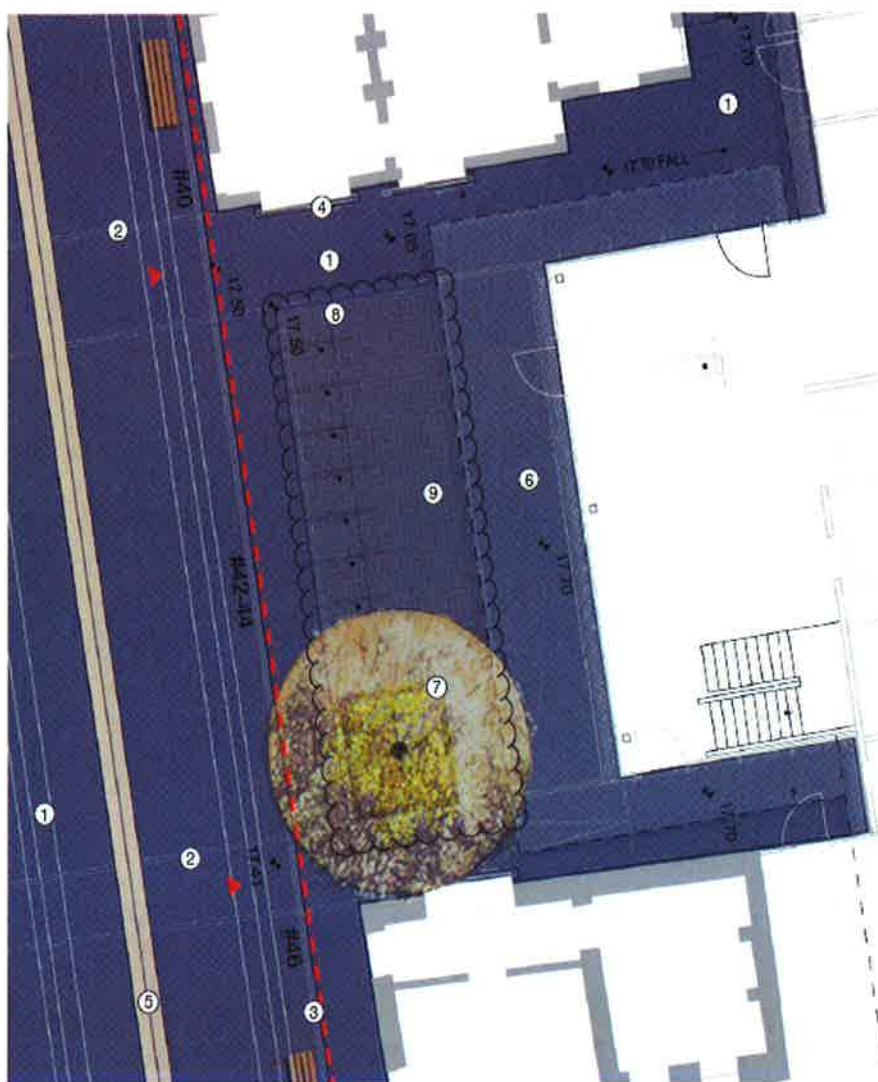


Figure 9 – Amended design of proposed Pocket Park (source: Jeppe Aagaard Anderson and Turf Design Studio)

Both the Department and Council support the revised park design which would provide clear definition between the varied spaces. However, the revised design is not considered to have addressed concerns in relation to the need to provide additional soft landscaping or street furniture to maximise benefits of the park. Therefore, a condition is recommended to require the submission and approval of a further landscape design for the pocket park, to be approved by Council, prior to the issue of a Construction Certificate (**Condition B20**). Subject to this condition, and the above mentioned condition relating to bicycle parking, the Department is satisfied that the proposal would result in a positive streetscape impact to Kensington Street.

External signage

The proposal seeks approval for a number of signage zones within the development, which would be used for the location of signs, subject to future development applications. The Department sought clarification from the proponent in relation to the proposed signage however, as the final tenancies of the development are yet to be identified, it is not possible to adequately assess the impacts of future signage.

The Department therefore considers it is appropriate to defer consideration of any signage to future development applications, where full consideration may be given to the details of the proposed signs including dimensions, colours and illumination (**Condition A8**).

6 CONCLUSION

In conclusion, the Department is satisfied that the Project Application generally complies with the relevant requirements of the approved Concept Plan (as modified). Proposed variations to the Concept Plan building envelopes have been considered and the Department is satisfied that they will not result in any significant adverse impacts on the surrounding streetscape, heritage character of the area or on the amenity of surrounding residences.

The Department is satisfied that concerns raised by public submissions and Council in regard to the future management of retail and commercial tenancies and the potential amenity impacts on surrounding residences, have been satisfactorily addressed by the RtS. As specific uses within the development and future tenants are yet to be identified, it is considered that a numerical restriction on patron capacity would be an undue burden on the development. Separate development applications for each tenancy would be required under the approval and Council will be able to assess the potential impacts on surrounding development, having regard to the specific uses proposed including trading hours, patron capacity and operational management.

The Department is also satisfied that Council's concerns, in relation to traffic generation from private vehicle and taxi drop-off/ pick-ups have been adequately addressed by recommended conditions. This will allow for a detailed traffic comparison study to be undertaken by the proponent and measures taken, in consultation with Council to provide a suitable solution.

In addition, conditions have been recommended to address Council concerns in relation to the design of the pocket park and the location of bicycle parking spaces across the site. This will allow for the design of the park to be further considered in order to maximise the potential benefits to the development and surrounding residents and visitors.

Further approval from Council of the detailed design and management to control access to the rear courtyards, outside of trading hours, has also been secured by recommended conditions. The proponent is required to submit details of the proposed physical gates and barriers as well as an amended Safety Management Strategy and Safety Management Plan, to be approved by Council, prior to the Construction Certificate.

The future operation and fit-out of the retail and restaurant tenancies fronting Kensington Street will be subject to future development applications to be assessed by Council. The Department is satisfied that the management measures committed to by the proponent, including the Safety Management Plan and Security Management Plan, and the Acoustic Impact Assessment will provide some certainty in terms of managing potential environmental impacts. In addition, the assessment of future Development Applications by Council will provide an opportunity for the more detailed aspects of the final established operations to be considered, once tenants are identified. Detailed conditions to appropriately manage uses, hours of operation and acoustic and light restrictions may be considered in more detail at the development assessment stage for each tenancy.

In conclusion, Department considers that the proposal provides an acceptable urban design response to the historic character of the existing terraces and buildings. The proposal will provide for the adaptive reuse of existing buildings along the eastern side of Kensington Street for a variety of restaurants, cafes, retail and commercial uses which will provide additional jobs and employment opportunities. It is also considered that the proposal would provide a good level of amenity and appropriate activation of the surrounding public domain. The significant historic features of the site are retained or reinterpreted.

The Department considers that on balance, the proposal represents a development which is in the public's interest, and therefore the Department recommends that the Project Application be approved, subject to the recommended conditions of approval and the proponent's Statement of Commitments.

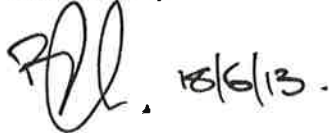
7 RECOMMENDATION

It is recommended that the Executive Director, Development Assessment Systems and Approval, as Delegate for the Minister for Planning and Infrastructure:

- **note** the information provided in this report and the recommendations of this report;
- **approve** the Major Project Application, subject to conditions; and
- **sign** the attached instrument.

Prepared by: Urbis Pty Ltd
Consultant Planners

Endorsed by;



Ben Lusher
A/Director
Metropolitan and Regional Projects South

Approved by:

Chris Wilson
Executive Director
Development Assessment Systems and Approvals